

# MARYLAND SMALL BUSINESS DEVELOPMENT FINANCING AUTHORITY

## OPEN MEETING MINUTES

September 23, 2021

The regular meeting of the Maryland Small Business Development Financing Authority convened at 1:00 p.m. via teleconference only at 470-869-2200/meeting ID 428-245-6027 due to the COVID-19 pandemic.

The following were in attendance at this meeting:

Authority Members	MMG Staff
Les Hall	Randy Croxton
Gina Ramsey	Mark Harrison
Laura Pasternak	Mike Howard
Chuck Martin	Anthony Williams
Sharon Pinder	Timothy Smoot
	Robin Harris

Attorney General's Office  
Barbara Kountz, Deputy Counsel

## AGENDA

### MINUTES

September 9, 2021

### EXTENSION

Gravastine, LLC

Unified Solutions Services, LLC

### RENEWAL

Mahogany, Inc.

### New Request

Soaring Kite Books, LLC

Phenomenal, LLC

The closed session of September 9, 2021, meeting was summarized. The Authority Board meeting was attended by Les Hall, Clem Kaikis, Gina Ramsey, Sharon Pinder, and Kenny Oreagba. The meeting was closed to comply with requirements of the Maryland Public Information Act so that there would not be disclosure of confidential, commercial, and financial information associated with the applicants. The meeting was closed to discuss the report of Adventures By Dawn, LLC d/b/a Adventure Tours; and the modification requests of DTG Holding, Inc. dba Access Receivables Management and Mobtown Fermentation, LLC dba Wild Kombucha. The report was accepted. The modification requests were approved.

1. DTG Holdings, Inc. dba Access Receivables Management – Modification to allow the termination of the sinking fund requirement and the option of using the funds in the sinking fund to pay down the MSBDFA loans
2. Mobtown Fermentation, LLC dba Wild Kombucha – Modification to (1) delete the requirement for warrants; (2) change the payment structure of the \$134,000 loan to make the first 6 months no interest and the second 6 months interest only; and (3) in substitution for the warrants, a payment of \$52,000 under a promissory note with a 9 year term with payments to start in the 7<sup>th</sup> year after the payment of the \$134,000 note with no interest during the first 7 years.

## MINUTES

September 9, 2021

**Action Taken:** Upon motion duly made and seconded, the Authority unanimously approved the minutes as presented.

**NOTE:** Sharon Pinder was not present during the request for approval.

## EXTENSION

**Presenter:** Timothy Smoot

**Applicant:** Gravastine, LLC

**Loan Amount:** \$360,000 Term Loan

**Original Approval Date:** May 13, 2015

**Comments:** Request a maturity date extension of the term loan through October 28, 2021, to allow more time to prepare a loan restructure of the balloon payment that was due at maturity. The owners have recently divorced, and the property jointly owned by them financed by MSBDFA was not

discussed as part of the settlement. They are at a stalemate regarding a buyout agreement. The borrower has continued to make monthly payments as agreed.

**Discussion:** There was limited discussion regarding the status of the loan.

**Action Taken:** The request was declined as presented. MMG was requested to issue a Notice of Default and demand for payment to the borrower with a copy sent to Les Hall and transfer the account to SAU. The loan matured in September 2020. The borrower should continue to make payments on the loan.

### **EXTENSION**

**Presenter:** Randy Croxton

**Applicant:** Unified Solutions Services, LLC

**Loan Amount:**

1. \$550,000 Surety Bond Direct
2. \$120,000 Contract Financing Line of Credit


**Comments:** Approval was requested for a 60-day maturity date extension on the Surety Bond and the Line of Credit through November 23, 2021, to allow more time to receive and review the financial statements for renewal on both facilities.

**Discussion:** There was limited discussion regarding the request.

**Action Taken:** Upon motion duly made and seconded, the Authority unanimously approved the requests as presented.

The Open Meeting then closed at 1:25 p.m. upon motion made and seconded, and approved by all voting members, the meeting was closed pursuant to General Provisions Article, Section 3-305(b) (13), "to comply with a specific... statutory... requirement that prevents public disclosures about a particular proceeding or matter", that is, the Maryland Public Information Act prohibits disclosure of trade secrets, confidential commercial and confidential financial information. Chairman Les Hall signed the Presiding Officer's Written Statement for Closing a Meeting under the Open Meetings Act, which is attached to these minutes as an exhibit.

**APPROVED:**

  
Celester A. Hall  
Chairman

**DATE:**

11-2-21